

GET TO KNOW YOUR WATERMELON CUSTOMER

WATERMELON PURCHASE BEHAVIOR STUDY OF CANADIAN CONSUMERS

Knowledge is power. And knowing who your watermelon purchasers are, what form they buy, and what could motivate them to buy more, gives you the power to ramp up your watermelon sales.

In 2002, The National Watermelon Promotion Board worked with Booth Research Services to survey over 1000 Canadian consumers via telephone. Interviews were conducted with the primary grocery shopper in the household. Watermelon purchasers participated in an in-depth survey, while non-purchasers completed a shorter survey.

We've learned that there is room for improvement and growth in just about every step of the supply chain, from seed companies to growers, to shippers and brokers to the retailers. So dig in and take control of your watermelon sales. The first step is getting to know your watermelon customer.



Answers From Your Neighbors To The South

During the summer of 2002, while this Canadian Consumer Research study was being conducted, a U.S. version was also taking place. Our funding in the U.S. allowed us to do a slightly more comprehensive study, with more in-depth questions. The sample size in the U.S. was also much larger. In a few cases throughout this study, you will see notes that the results are based on U.S. data. This was only done in two situations:

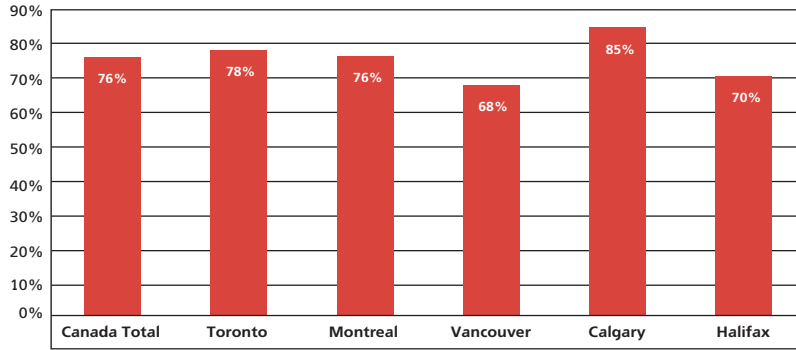
- If slicing up the sample for a particular demographic yielded too small sub-samples to provide reliable results. The best example of this is with the ethnicity analysis. Our sample sizes for some ethnic groups were just too small to be reliable indicators of behavior for the larger population.
- If questions were asked in the U.S. survey that yielded valuable insights, and comparable questions were not asked on the Canadian version of the survey. We see the value in sharing these insights, even though they were not gleaned from the Canadian results.

Should you have any questions about this Canadian research report, feel free to contact Wendy McManus, Director of Marketing, National Watermelon Promotion Board at 407-657-0261.



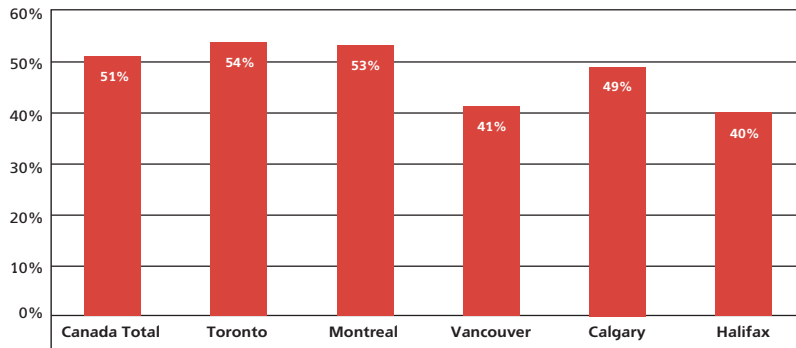
PURCHASE LEVEL BY REGION

% OF HOUSEHOLDS WHO HAVE PURCHASED WATERMELON IN THE PAST 12 MONTHS



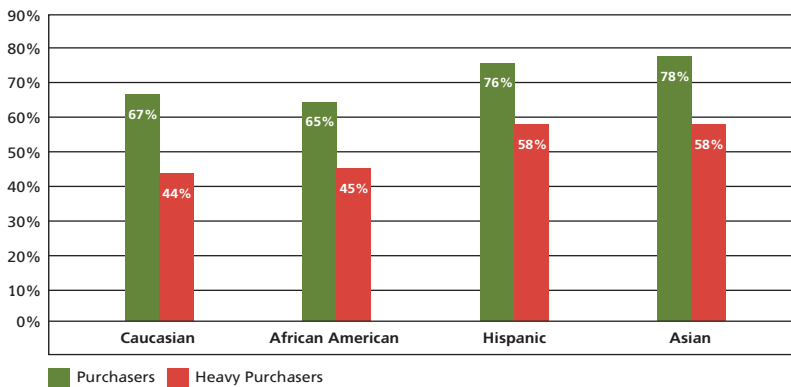
Household purchase levels for watermelon ranged from a high of 85% in Calgary to a low of 68% in Vancouver. The average across Canada was 76%.

HEAVY PURCHASERS BY REGION*



Toronto and Montreal have the highest presence of heavy watermelon purchasers. Vancouver and Halifax have the lowest presence of heavy watermelon purchasers.

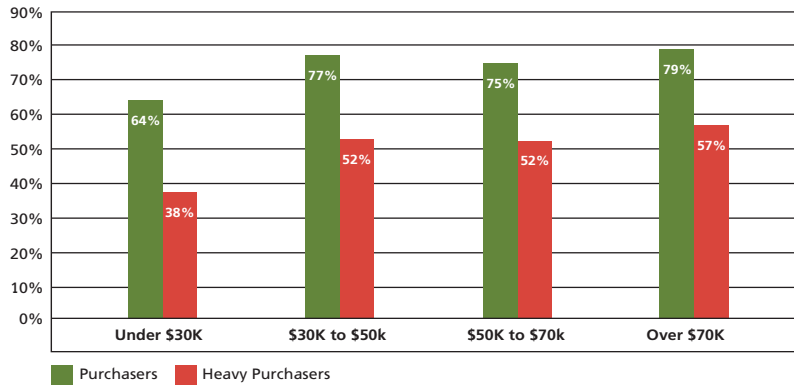
PURCHASE LEVEL BY ETHNICITY* BASED ON U.S. DATA



Asian and Hispanic ethnic groups tend to have the highest levels of both purchasers and heavy purchasers. Meanwhile, Caucasians and African Americans tend to have lower levels of purchasers and heavy purchasers.

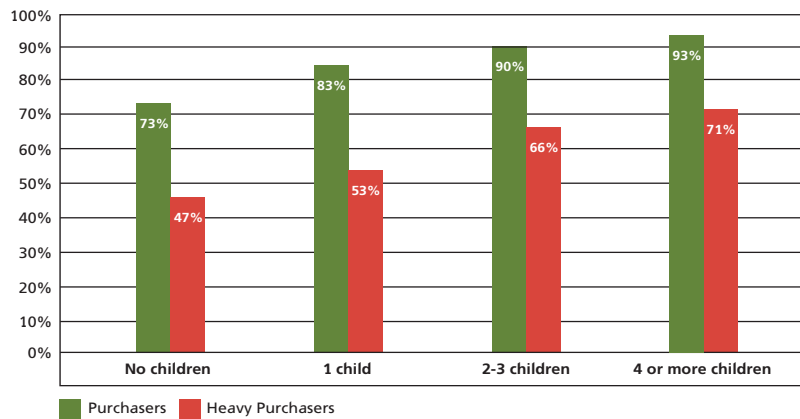
* A heavy purchaser bought watermelon 2-3 times per month or more in any season, in any form.
A purchaser is anyone who bought watermelon in the previous 12 months.

PURCHASE LEVEL BY INCOME*



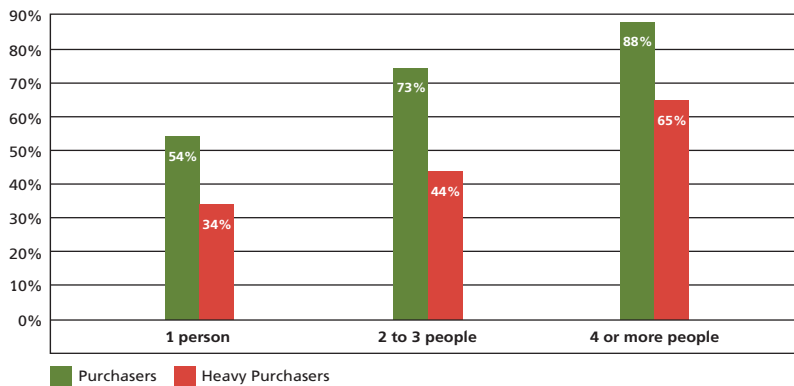
Households with the highest incomes are more likely to be heavy watermelon purchasers, while those with the lowest incomes are the least likely to be heavy watermelon purchasers.

PURCHASE LEVEL BY NUMBER OF CHILDREN LIVING AT HOME*



The presence of children in the household clearly has an impact on the decision to buy watermelon. Families with two or more children are more likely to be purchasers or heavy purchasers of watermelon. Those with no children had the lowest percentage of purchasers amongst their ranks.

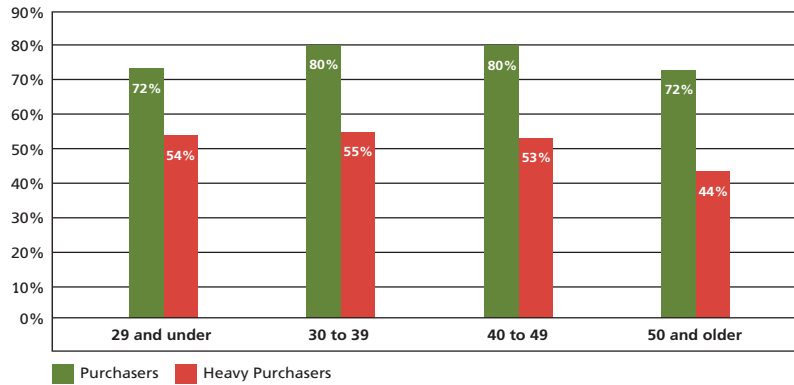
PURCHASE LEVEL BY NUMBER OF PEOPLE IN HOUSEHOLD*



The more people that live in the household, the more likely it is that watermelon will be in the grocery cart. Households with 4 or more people have the strongest tendency to be heavy watermelon purchasers, while single person households are the least likely to purchase watermelon.

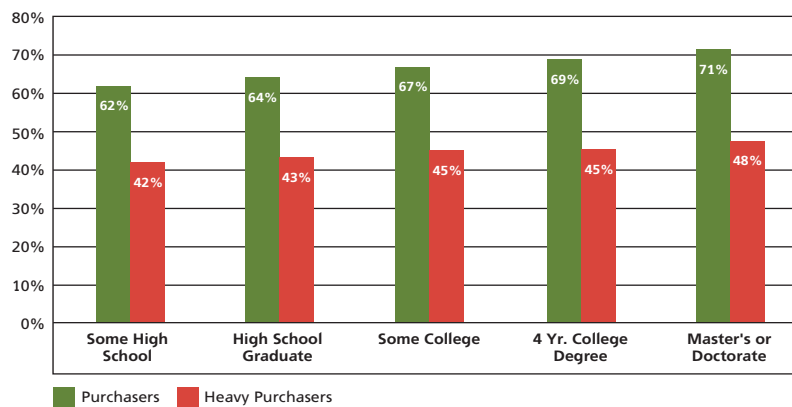
* A heavy purchaser bought watermelon 2-3 times per month or more in any season, in any form.
A purchaser is anyone who bought watermelon in the previous 12 months.

PURCHASE LEVEL BY AGE*



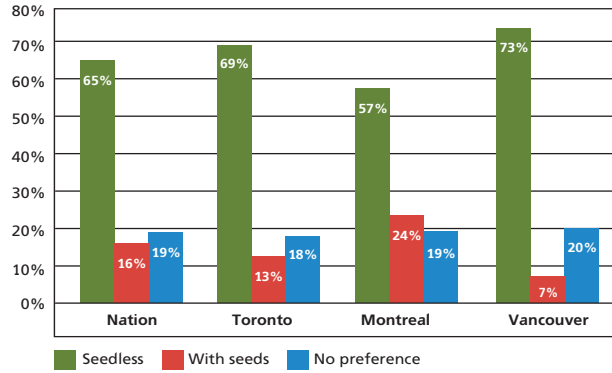
While those under 29 are less likely than average to be a watermelon purchaser, they are more likely to be a heavy watermelon purchaser. This means that among younger watermelon purchasers, the frequency of purchase is higher than average. Those most likely to be watermelon purchasers are between 30 and 49.

PURCHASE LEVEL BY EDUCATION LEVEL* BASED ON U.S. DATA



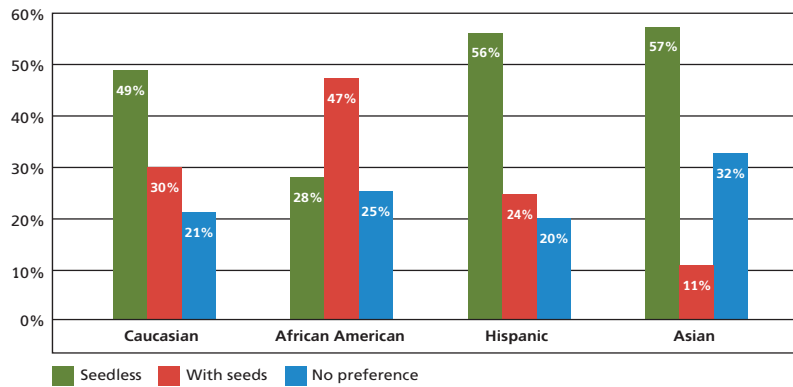
As consumers become more educated, they are also more likely to become heavy purchasers of watermelon. Those with the lowest levels of education are the least likely to be heavy watermelon purchasers. This trend is consistent with our findings on income levels which show that those with the highest incomes would be most likely to be heavy watermelon purchasers. It stands to reason that those with more education would also have higher income levels and that both factors would have an impact on the frequency of watermelon purchase.

PREFERENCE FOR SEEDLESS OR SEEDED WATERMELON BY MARKET



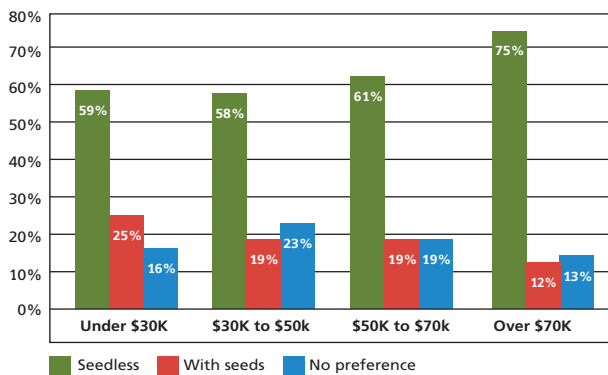
Shoppers in major markets across the nation prefer seedless watermelon. This is consistent with the national results, where 65% of Canadians prefer seedless. This preference is strongest in Vancouver, with 73% saying they prefer seedless watermelon.

PREFERENCE FOR SEEDLESS OR SEEDED WATERMELON BY ETHNICITY BASED ON U.S. DATA



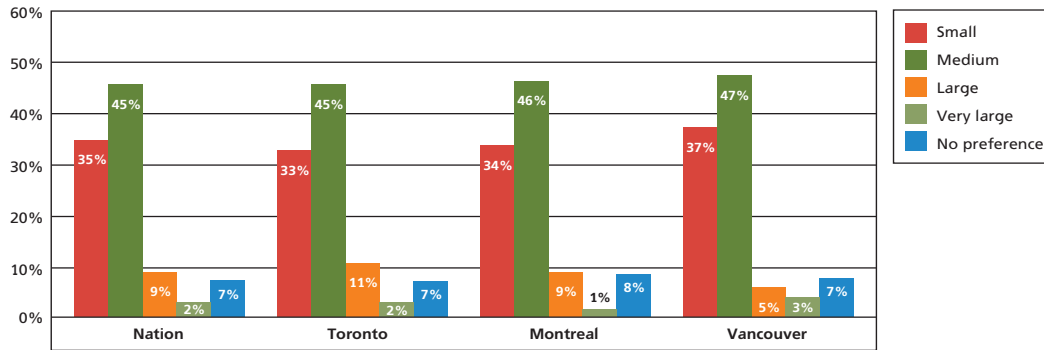
Among ethnic groups, Asians and Hispanics have a strong preference for seedless. Meanwhile, African Americans are the only group to show a preference for the more traditional seeded watermelon.

PREFERENCE FOR SEEDLESS OR SEEDED WATERMELON BY INCOME LEVEL



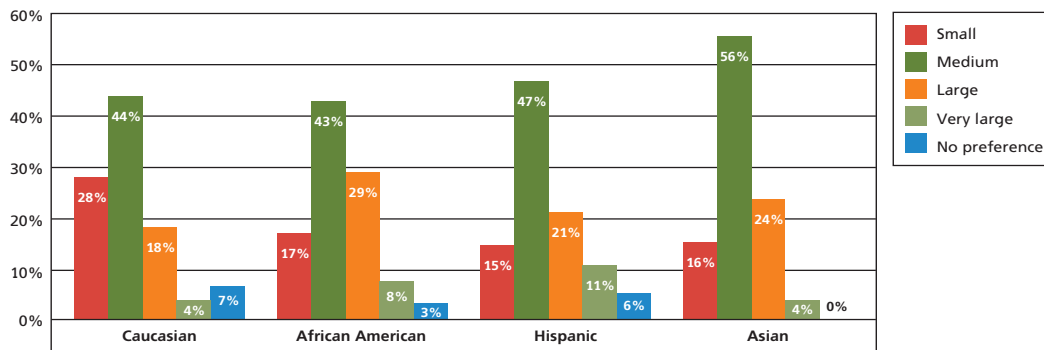
Across all income levels, Canadians prefer seedless watermelon over seeded. This preference grows and becomes more pronounced at the highest income levels, with 75% of those earning over \$70k preferring seedless watermelon.

PREFERENCE FOR WATERMELON SIZE BY MARKET



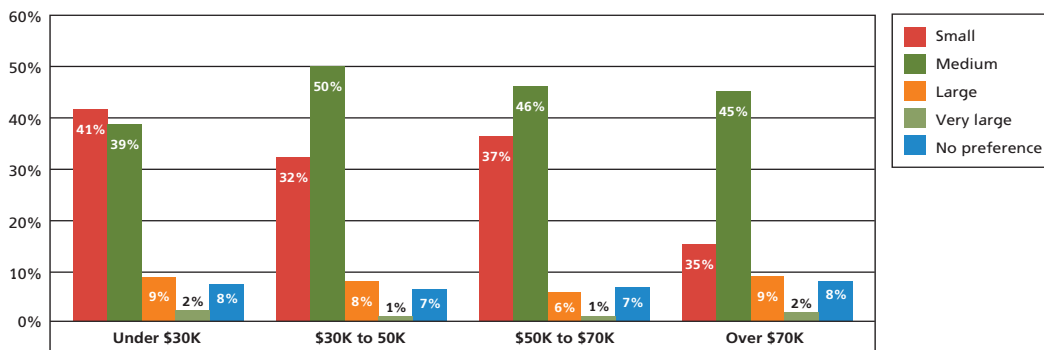
Across the nation, a medium watermelon is preferred more than any other size offered. Small watermelon made a good showing, with over one-third of the respondents preferring it. Preference for large watermelon is slightly higher in Toronto.

PREFERENCE FOR WATERMELON SIZE BY ETHNICITY BASED ON U.S. DATA



Among ethnic groups, preference for size of watermelon didn't vary greatly. A medium watermelon was preferred by all groups, with Asians showing the strongest desire for a medium watermelon, Caucasians displaying an above average preference for small watermelon and African-Americans having the strongest preference for large watermelons.

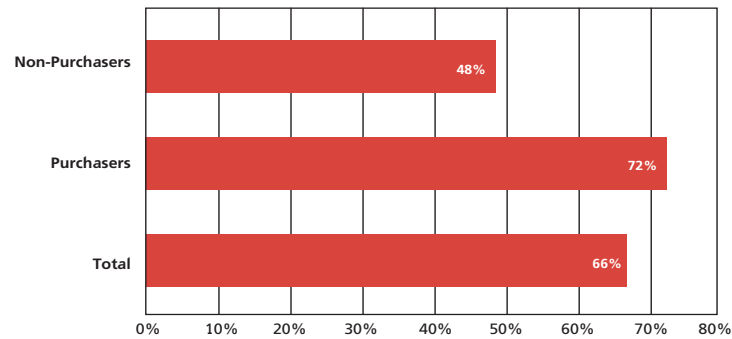
PREFERENCE FOR WATERMELON SIZE BY INCOME LEVEL



Trends for watermelon size preference based on income levels did not bear out any significant findings. For each income bracket, the preferences hovered fairly close to the national averages and any movement from those averages did not appear to correlate to changes in income.

HEALTH AWARENESS AS A MOTIVATOR TO PURCHASE

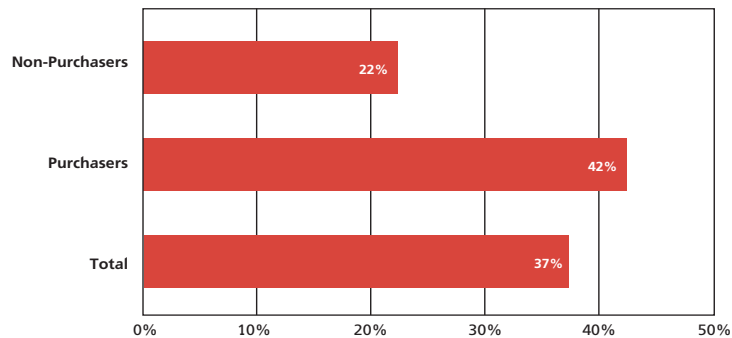
% OF CONSUMERS WHO WOULD BE INFLUENCED TO BUY MORE WATERMELON IN THE FUTURE IF THEY KNEW IT WAS HEALTHY AND GOOD FOR THEM



Consumers tell us that communicating health messages works. 72% of watermelon purchasers say they would be more likely to purchase watermelon in the future after learning about its health benefits. Even more exciting is that nearly half (48%) of the non-purchasers would be motivated by this knowledge.

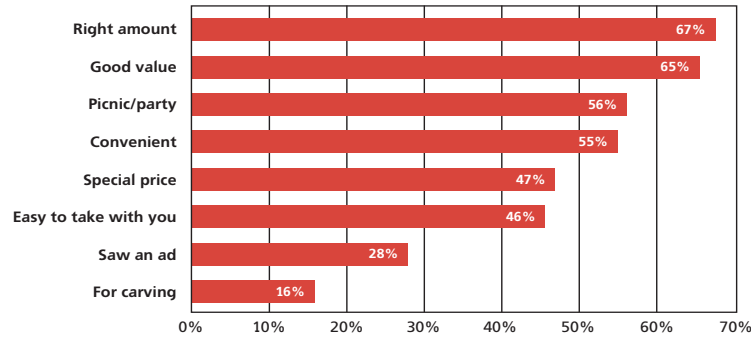
RECIPE/USAGE IDEAS AS A MOTIVATOR TO PURCHASE

% OF CONSUMERS WHO WOULD BE INFLUENCED TO BUY MORE WATERMELON IN THE FUTURE IF NEW RECIPE AND USAGE IDEAS WERE MADE AVAILABLE TO THEM

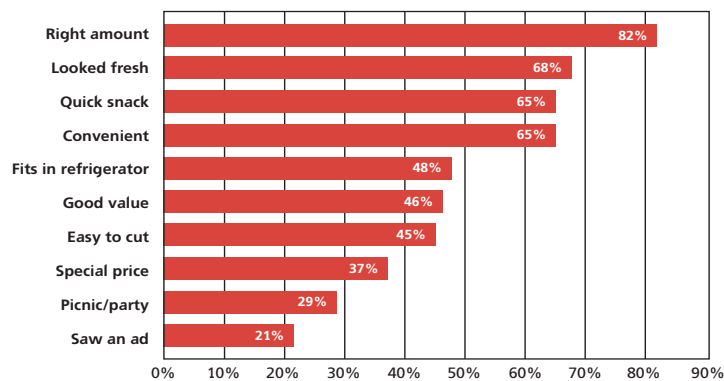


Watermelon offers so many ways to serve up a smile! And consumers are hungry for new ideas about how to prepare and use watermelon in their everyday menus. 42% of watermelon purchasers and 22% of non-purchasers would be motivated to buy more watermelon if they received new recipe and usage ideas. Send them to our web site at www.watermelon.org for hundreds of great ways to use watermelon.

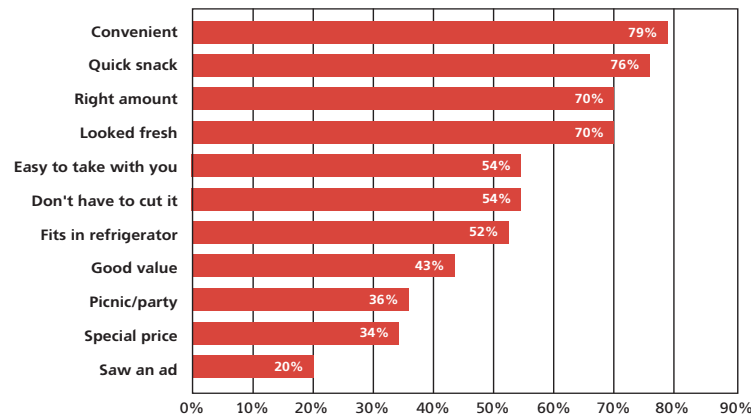
REASONS FOR PURCHASING WHOLE WATERMELON BASED ON U.S. DATA



REASONS FOR PURCHASING WATERMELON SECTIONS OR SLICES BASED ON U.S. DATA



REASONS FOR PURCHASING WATERMELON CUBES BASED ON U.S. DATA



For all three forms of watermelon, whole, sections or cubes, consumers consistently give some of the same answers when asked why they chose to purchase that form. “It’s a good value”, “It’s the right amount”, and “It’s convenient” show up in the top eight reasons for all three forms. In fact, “It’s the right amount” is either the number one or number three answer across the board.

It’s important to note that many of these consumers had purchased more than one form throughout the season. This illustrates that consumers decide what’s convenient, what’s the right amount and what’s a good value based on their current needs.

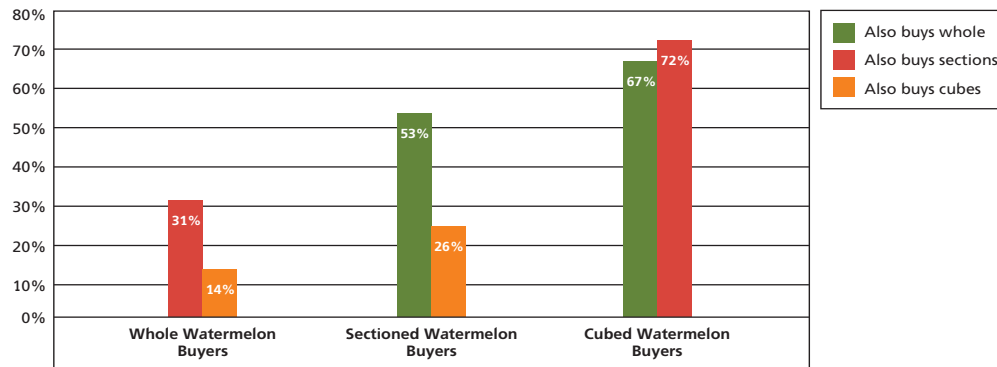
Whole watermelon buyers are flexible.*

- 22% of the summertime whole watermelon buyers, also bought cut watermelon (sections or cubes) sometime during the summer.
- 17% of the people who bought whole watermelon at least twice per month in the summer, also bought cut watermelon (sections or cubes) sometime during the summer.

Cut watermelon buyers are even more flexible!*

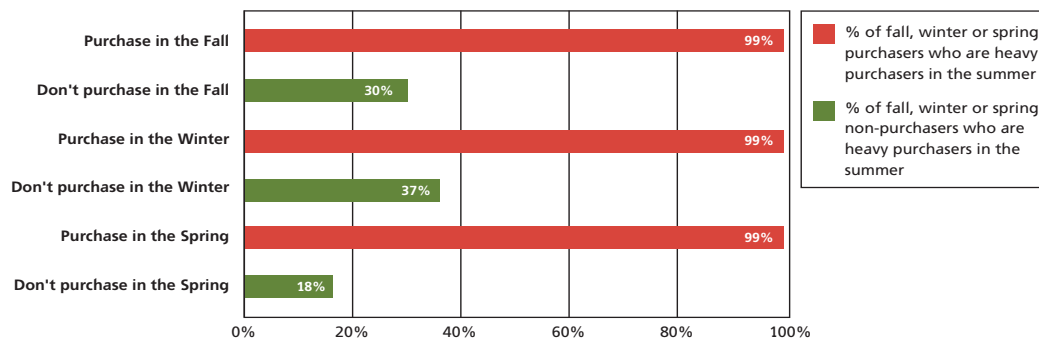
- 46% of the summertime cut watermelon buyers (sections or cubes) also bought whole watermelon sometime during the summer.
- 47% of the people who bought cut watermelon (sections or cubes) at least twice per month in the summer, also bought whole watermelon sometime during the summer.
- 39% of consumers who bought cut watermelon (sections or cubes) at least twice per month in the summer, also bought whole watermelon at least once per month in the summer.

FLEXIBILITY OF BUYERS BY FORM* % OF BUYERS OF EACH FORM THAT HAVE PURCHASED OTHER FORMS



Buyers of cubed watermelon are far more likely to purchase other forms of watermelon than are whole or sectioned watermelon buyers.

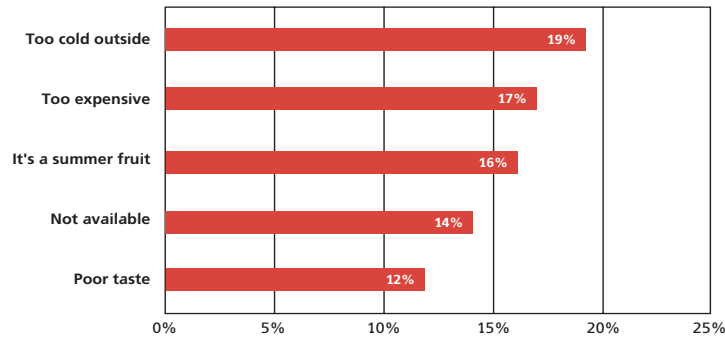
LIKELIHOOD OF BEING A HEAVY SUMMER PURCHASER* BASED ON PURCHASE HABITS DURING OTHER SEASONS



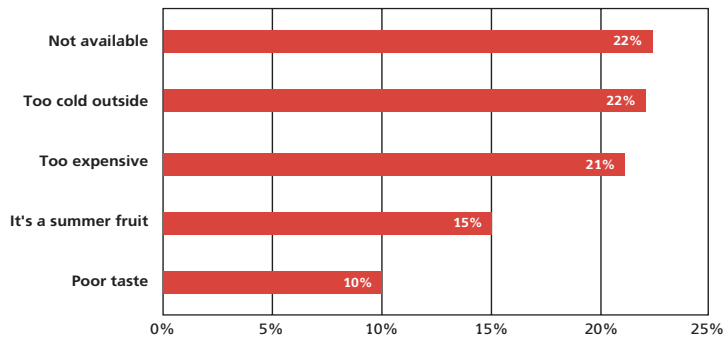
Those who purchase watermelon, in any form, once or more during the fall, winter or spring seasons have a 99% chance of being a heavy summer purchaser (buying 2 times per month or more during the summer). Those who do not purchase during the fall, winter or spring, are far less likely to become heavy purchasers in the summer.

- All data on this page is based on U.S. Consumer Research conducted by the NWPB. This study was conducted in Summer 2002, concurrent to the Canadian Consumer Research.

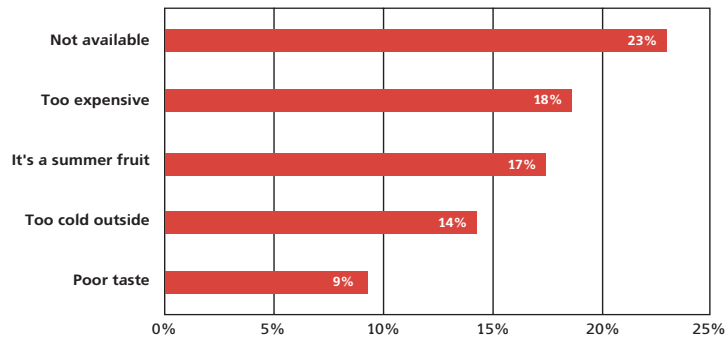
REASONS FOR NOT PURCHASING WATERMELON IN THE FALL



REASONS FOR NOT PURCHASING WATERMELON IN THE WINTER



REASONS FOR NOT PURCHASING WATERMELON IN THE SPRING



During winter and spring, the number one reason consumers don't buy watermelon is because it's not available. Now, this may just be their perception. Most retailers across the country are offering watermelon in some form all year long. So, why aren't consumers more aware?

Through education and promotion, we can teach consumers that good quality watermelon is available all year long. And with an emphasis on watermelon's health benefits, we can give them a reason to buy it year-round. What can you do to make it easier for consumers to keep watermelon on their weekly grocery list throughout the year?

The number two or three reason why consumers don't buy watermelon during the fall, winter and spring seasons is because it's too expensive. Sometimes communicating watermelon's value, relative to other produce items, can help consumers look past the higher ring of a winter watermelon. We suggest using the headline "Fewer cents per smile."